

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Metrex Valve Corp

California Manufacturing Technology Consulting

Metrex Valve Corporation Increases Sales

Client Profile:

Metrex Valve Corporation, located in Glendora, California, provides the global marketplace with valves designed to modulate and control water flow. Employing 30 diverse team members, Metrex Valve has successfully competed through quality, service, flexibility and value for the past 45 years. Metrex Valve offers a broad line of standard and custom application water regulators sold commercially and through government contracts.

Situation:

Metrex Valve Corporation has a long-standing relationship with California Manufacturing Technology Consulting (CMTC), a NIST MEP network affiliate. It was during the recent ISO 9000 project that Metrex Valve management realized the processes that were being documented were not netting the results expected. The senior CMTC consultant suggested a different type of consulting service; the analysis of the processes and procedures currently used by Metrex Valve. After investigation, it was determined that an educational approach would achieve the greatest results. A four phase project was created.

The first phase would instruct Metrex Valve's management team and supervisors on how to complete a self-audit. The instruction covered basic concepts of assessment, flow charting and process re-engineering. The lab phase had every participant interviewing process owners and flow-charting business processes. The second phase was a class covering the best practices of Supply Chain, Scheduling, Inventory Management, Shop Floor Control and Bill of Material. The objective was to provide the knowledge necessary for Metrex to reengineer and document the current processes. Two Kaizen improvement events focusing on the shop floor and bar coding were planned as phases 3 and 4.

Solution:

The project started in April 2005. The seven core team members of Metrex Valve spent three half days interviewing each process owner. As the team presented their findings to the group, an appreciation for the complexity of supporting manufacturing with documented process and audit procedures grew throughout the management and supervisory staff. Metrex Valve needed actual cost data in order to improve their estimating as well as better data to support scheduling supervisors and shop floor employees. To accomplish these objectives, Metrex Valve conducted shop floor reporting and bar coding Kaizens documenting the processes needed to make better business decisions. The project ended in June 2005.

The Phase 3 and 4 Kaizen events produced outstanding results. Not only did Metrex see a cost savings at the end of the project but the current process was investigated along with the capability of the ERP Software. A new bar stock material handler position was created to replace the practice of operators removing their own material from inventory. During the Kaizen Event, the team determined for safety and effective handling of material over 2 in diameter, instituted a location change and an

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outside investigation of storage and handling equipment. A two-month project was planned to include the relocation of 7 general purpose machines and the acquisition of handling equipment. An audit was also planned one month following the event. An investment in training, material handling equipment and Bar Code Scanners led to better pricing and an estimated increase in sales of \$200,000. Due to improved information processing productivity, reduced materials handling, better labor reporting and less raw materials, Metrex Valve will save \$60,000.

Results:

- * Estimated increase in sales of \$200,000.
- * Achieved cost savings of \$60,000, due to improved information processing, reduction of material handling, better labor reporting, and less raw materials.
- * Planned two-month project to relocate 7 machines and acquire handling equipment.

Testimonial:

"CMTC's training approach put us in control of our processes and we achieved significant savings."
Doug Jorgensen, President